

ASSEMBLY BILL

No. 930

Introduced by Assembly Member Hall

February 22, 2013

An act to add Sections 7083.2 and 63045.1 to the Government Code, and to amend Sections 21180 and 21189.1 of, and to repeal and add Section 21189.3 of, the Public Resources Code, relating to enterprise zones.

LEGISLATIVE COUNSEL'S DIGEST

AB 930, as introduced, Hall. Enterprise zones: energy management plans.

The Enterprise Zone Act provides for the designation of zones according to specified criteria, pursuant to which certain entities within each zone may receive regulatory, tax, and other incentives for economic and employment development and private investment.

This bill would amend the Enterprise Zone Act to authorize a city, county, or city and county to develop energy management plans with an electrical corporation, gas corporation, local publicly owned electric utility, or rural electric cooperative, serving an enterprise zone other than an enterprise zone within a harbor or port district formed pursuant to specified law, in order to reduce air emissions, to promote economic development, to increase new business, and to retain existing businesses in that enterprise zone. The bill would require the Public Utilities Commission to provide expedited review of the proposed energy management plan elements that involve programs to incentivize economic development in the enterprise zone and administered by the electrical or gas corporation to facilitate economic development. The bill would require the commission to encourage electrical or gas

corporations to participate jointly with local agencies in developing, implementing, and administering energy management plans for enterprise zones, and would prohibit the commission from limiting the role of the electrical or gas corporation that was cooperatively developed in the energy management plan.

Under the Bergeson-Peace Infrastructure and Economic Development Bank Act, the California Infrastructure and Economic Development Bank is established within state government for the purpose of funding specified types of infrastructure development projects.

The bill would make a project that promotes economic development in enterprise zones developed pursuant to an energy management plan eligible for funding through the bank.

The Jobs and Economic Improvement Through Environmental Leadership Act of 2011 establishes specified judicial review procedures for the judicial review of an environmental impact report under the California Environmental Quality Act (CEQA) and approvals granted for a leadership project related to the development of a residential, retail, commercial, sports, cultural, entertainment, or recreational use project, or clean renewable energy or clean energy manufacturing project. The act authorizes the Governor to certify a leadership project for streamlining pursuant to the act if certain conditions are met. Those provisions are repealed as of January 1, 2015.

The bill would include a project pursued in implementation of an energy management plan in the definition of leadership project eligible for streamlining under the Jobs and Economic Improvement Through Environmental Leadership Act of 2011. The bill would delete the January 1, 2015, repeal, of the act and, instead, make those streamlining provisions inoperative on that date except to a project pursued in implementation of an energy management plan pursuant to the bill, for which project those provisions would be operative indefinitely. Because the lead agency under CEQA would be required to use these alternative procedures for creating the administrative record if the applicant for a project pursued in implementation of an energy management plan so chooses and the project is certified by the Governor, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state,

reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) The state should encourage the development of new
4 businesses and the retention of existing businesses within enterprise
5 zones.

6 (b) Energy utility customers can benefit from the addition of
7 new businesses and the retention of existing businesses through
8 increased energy cost certainty.

9 (c) Businesses in enterprise zones could benefit through greater
10 stability and certainty in the cost of energy services.

11 (d) Investor-owned utilities and publicly owned utilities are in
12 an optimal position, and should be encouraged to engage in joint
13 projects with government agencies that administer enterprise zones
14 to provide and administer energy-related service alternatives and
15 programs that can promote economic development and retention
16 of existing businesses in enterprise zones.

17 SEC. 2. Section 7083.2 is added to the Government Code, to
18 read:

19 7083.2. (a) For the purposes of this section, the following
20 definitions shall apply:

21 (1) "Alternative fuel vehicle infrastructure" means infrastructure
22 designed for refueling or recharging vehicles that use a
23 nonpetroleum fuel, including electricity, ethanol, biodiesel,
24 hydrogen, methanol, or natural gas that, when used in vehicles,
25 has demonstrated, to the satisfaction of the State Air Resources
26 Board, to have the ability to meet applicable vehicular emission
27 standards, or a petroleum fuel blended with nonpetroleum
28 constituents, such as E85 or B20.

29 (2) "Common carrier pipeline" means a gas conveyance pipeline,
30 located in California, that is owned or operated by a utility or gas
31 corporation, excluding a dedicated pipeline.

1 (3) “Electrical or natural gas load forecast” means a forecast of
2 the anticipated growth in the demand for electricity or natural gas
3 in a specific enterprise zone.

4 (4) “Serving electrical corporation, gas corporation, local
5 publicly owned electric utility, or rural electric cooperative” means
6 an electrical corporation, gas corporation, local publicly owned
7 electric utility, or rural electric cooperative that develops an energy
8 management plan with a city, county, or city and county, and
9 provides electricity or gas to an enterprise zone under an energy
10 management plan.

11 (b) A city, county, or city and county may develop an energy
12 management plan with an electrical corporation, gas corporation,
13 or local publicly owned electric utility, as defined in the Public
14 Utilities Code, or a rural electric cooperative, to serve an enterprise
15 zone other than an enterprise zone within a harbor or port district
16 formed pursuant to Division 8 (commencing with Section 5800)
17 of the Harbors and Navigation Code, in order to reduce air
18 emissions, to promote economic development, to increase new
19 businesses, and to retain existing businesses in that enterprise zone.

20 (c) The energy management plan shall include all of the
21 following elements, which shall be developed jointly with the
22 serving electrical corporation, gas corporation, local publicly
23 owned electric utility, or rural electric cooperative:

24 (1) An electric or natural gas load forecast.

25 (2) Assessment of the role that distributed generation, combined
26 with accurately priced utility services, could play in providing
27 greater rate stability and energy cost certainty to aid in economic
28 development, and proposed actions with respect to that role.

29 (3) Proposed actions for the enhanced use of cost-effective
30 energy efficiency and demand-side management in existing
31 buildings and the inclusion of energy efficiency measures as part
32 of the development of new buildings.

33 (4) Proposed actions for the development of infrastructure, in
34 areas that are most effective for the use of refueling infrastructure
35 of an enterprise zone, to aid in the refueling of alternative fuel
36 vehicles, including utility ownership or operation of those facilities
37 to provide services to the community.

38 (5) Other actions and services related to the utility services to
39 implement the energy management plan.

(6) Proposed methods to fund the activities included in the plan, including, but not limited to, funding through utility ratepayer-funded programs and financing through the California Infrastructure and Economic Development Bank established pursuant to Division 1 (commencing with Section 63000) of Title 6.7 or the California Alternative Energy and Advanced Transportation Financing Authority established pursuant to Section 26004 of the Public Resources Code.

(d) The Public Utilities Commission shall provide expedited review of the proposed energy management plan elements that involve programs to incentivize economic development in the enterprise zone and administered by the electrical or gas corporation to facilitate economic development, including, but not limited to, energy efficiency, the use of biogas for direct injection into common carrier pipelines, economic development rates, distributed generation, energy storage, and alternative fuel vehicle infrastructure.

(e) (1) The Public Utilities Commission shall encourage electrical or gas corporations to participate jointly with local agencies in developing, implementing, and administering energy management plans for enterprise zones, and shall not limit the role of the serving electrical corporation, gas corporation, local publicly owned electric utility, or rural electric cooperative in developing the energy management plan.

(2) The governing boards of local publicly owned utilities and rural electric cooperatives shall encourage joint participation with local agencies and gas corporations in developing, implementing, and administering energy management plans for enterprise zones.

(f) A city, county, or city and county and a serving electrical corporation, gas corporation, or local publicly owned electric utility, or a rural electric cooperative shall consider, in developing an energy management plan, the development of projects that provide greater certainty of energy costs over a period of up to 15 years for businesses in the enterprise zone, and shall consider applying to the California Infrastructure and Economic Development Bank for financial support of those projects under Section 63045.1.

SEC. 3. Section 63045.1 is added to the Government Code, to read:

1 63045.1. A project to promote economic development in
2 enterprise zones developed pursuant to an energy management
3 plan in accordance with Section 7083.2 shall be eligible for
4 financing under this article.

5 SEC. 4. Section 21180 of the Public Resources Code is
6 amended to read:

7 21180. For the purposes of this chapter, the following terms
8 shall have the following meanings:

9 (a) "Applicant" means a public or private entity or its affiliates,
10 or a person or entity that undertakes a public works project, that
11 proposes a project and its successors, heirs, and assignees.

12 (b) "Environmental leadership development project," "leadership
13 project," or "project" means a project as described in Section 21065
14 that is one the following:

15 (1) A residential, retail, commercial, sports, cultural,
16 entertainment, or recreational use project that is certified as LEED
17 silver or better by the United States Green Building Council and,
18 where applicable, that achieves a 10-percent greater standard for
19 transportation efficiency than for comparable projects. These
20 projects must be located on an infill site. For a project that is within
21 a metropolitan planning organization for which a sustainable
22 communities strategy or alternative planning strategy is in effect,
23 the infill project shall be consistent with the general use
24 designation, density, building intensity, and applicable policies
25 specified for the project area in either a sustainable communities
26 strategy or an alternative planning strategy, for which the State
27 Air Resources Board, pursuant to subparagraph (H) of paragraph
28 (2) of subdivision (b) of Section 65080 of the Government Code,
29 has accepted a metropolitan planning organization's determination
30 that the sustainable communities strategy or the alternative planning
31 strategy would, if implemented, achieve the greenhouse gas
32 emission reduction targets.

33 (2) A clean renewable energy project that generates electricity
34 exclusively through wind or solar, but not including waste
35 incineration or conversion.

36 (3) A clean energy manufacturing project that manufactures
37 products, equipment, or components used for renewable energy
38 generation, energy efficiency, or for the production of clean
39 alternative fuel vehicles.

1 (4) A project pursued in implementation of an energy
2 management plan pursuant to Section 7083.2 of the Government
3 Code.

4 (c) “Transportation efficiency” means the number of vehicle
5 trips by employees, visitors, or customers of the residential, retail,
6 commercial, sports, cultural, entertainment, or recreational use
7 project divided by the total number of employees, visitors, and
8 customers.

9 SEC. 5. Section 21189.1 of the Public Resources Code is
10 amended to read:

11 21189.1. (a) ~~If Except for a project defined in paragraph (4)~~
12 ~~of subdivision (b) of Section 21180, if a lead agency fails to certify~~
13 ~~an environmental impact report for a leadership project subject to~~
14 ~~this chapter on or before June 1, 2014, this chapter shall not apply~~
15 ~~to that project. The lead agency shall notify the Secretary of the~~
16 ~~Natural Resources Agency by July 1, 2014, if an environmental~~
17 ~~impact report subject to this chapter has not been certified by that~~
18 ~~date.~~

19 (b) If, prior to June 1, 2014, a certification issued pursuant to
20 this chapter has not been used or the time period during which an
21 action or proceeding, for purposes of Section 21185, may be filed
22 under this chapter has not elapsed, the certification expires and is
23 no longer valid.

24 SEC. 6. Section 21189.3 of the Public Resources Code is
25 repealed.

26 ~~21189.3. This chapter shall remain in effect until January 1,~~
27 ~~2015, and as of that date is repealed unless a later enacted statute~~
28 ~~extends or repeals that date.~~

29 SEC. 7. Section 21189.3 is added to the Public Resources Code,
30 to read:

31 21189.3. Except for the continuing application of this chapter
32 to a project defined in paragraph (4) of subdivision (b) of Section
33 21180, this chapter shall become inoperative on January 1, 2015.

34 SEC. 8. If the Commission on State Mandates determines that
35 this act contains costs mandated by the state, reimbursement to
36 local agencies and school districts for those costs shall be made
37 pursuant to Part 7 (commencing with Section 17500) of Division
38 4 of Title 2 of the Government Code.